

HOUSE BILL 2175
By Boyer

AN ACT to amend Tennessee Code Annotated, Title 45, Chapter 6, Part 2, relative to pawnbrokers.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section, 45-6-210, is amended by designating the current language as subsection “(a)” and by adding the following new language, to be designated as subsection “(b)”:

(b)

(1) In accordance with the uniform administrative procedures act, Tennessee Code Annotated, Title 4, Chapter 5, the department of financial institutions shall promulgate rules requiring each pawnbroker to issue a standardized consumer notification and disclosure form prior to entering into any pawn transaction wherein the pledged goods will consist of, or include, one (1) or more motor vehicles titled by this or any other state. The required style, content and method of executing the form shall be specifically prescribed by the rules and shall be designed to ensure that the pledgor or pawnor, prior to entering into such pawn transaction, receives and acknowledges an accurate and complete notification and disclosure of the itemized and total amounts of all payments, interest, fees, assessments, charges and other costs that will or potentially could be imposed as a result of such pawn transaction.

(2) A pawnbroker shall not knowingly violate any rule promulgated by the department of financial institutions pursuant to this subsection.

SECTION 2. Tennessee Code Annotated, Section 45-6-218, is amended by adding the following as a new, appropriately designated subsection:

() Apart from any sanctions which may be imposed pursuant to this section, upon a finding by the department of financial institutions that a pawnbroker has violated the provisions of Section 45-6-210(b), the license of such pawnbroker shall be suspended by the city and/or county clerk for a period, specified by the department, not to exceed forty-five (45) days. Upon a finding by the department of financial institutions that a pawnbroker has repeatedly and persistently engaged in a pattern of violating Section 45-6-210(b), the license of such pawnbroker shall be suspended by the city and/or county clerk for a period, specified by the department, of not less than ninety (90) days or alternatively shall be revoked by the city and/or county clerk as directed by the department. All findings and actions by the department of financial institutions acting pursuant to this subsection shall be undertaken in accordance with the uniform administrative procedures act, Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 3. This act shall take effect July 1, 1996, the public welfare requiring it.